

OKLAHOMA GAMING COMPLIANCE UNIT  
**ANNUAL REPORT**  
FISCAL YEAR 2020



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# EXECUTIVE SUMMARY

**The State of Oklahoma** collected over \$123.6 million in tribal gaming exclusivity fees in fiscal year 2020 under state-tribal gaming compacts. This is a 16.6% decrease over the previous year.

Tribes paid the FY 2020 exclusivity fees based on over \$2.04 billion in revenue generated from Class III electronic games<sup>1</sup> and nonhouse-banked card games.

The COVID-19 global pandemic in 2020 had a significant negative impact on amounts collected by the state. All gaming facilities were closed to the public for a number of months during the fiscal year, and were reopened at a reduced capacity throughout the rest of FY 2020, into FY 2021.

Data included in this report shows exclusivity fee collections for FY 2020 are the third lowest amount recorded for the past 10 years, coming ahead of only FY 2011 and FY 2014.

Until FY 2014, exclusivity payments had grown annually since 2005, when tribes first began operating under voter-approved, state-tribal gaming compacts. The compacts established exclusivity payments, onetime startup and annual assessments for the operation of covered games.

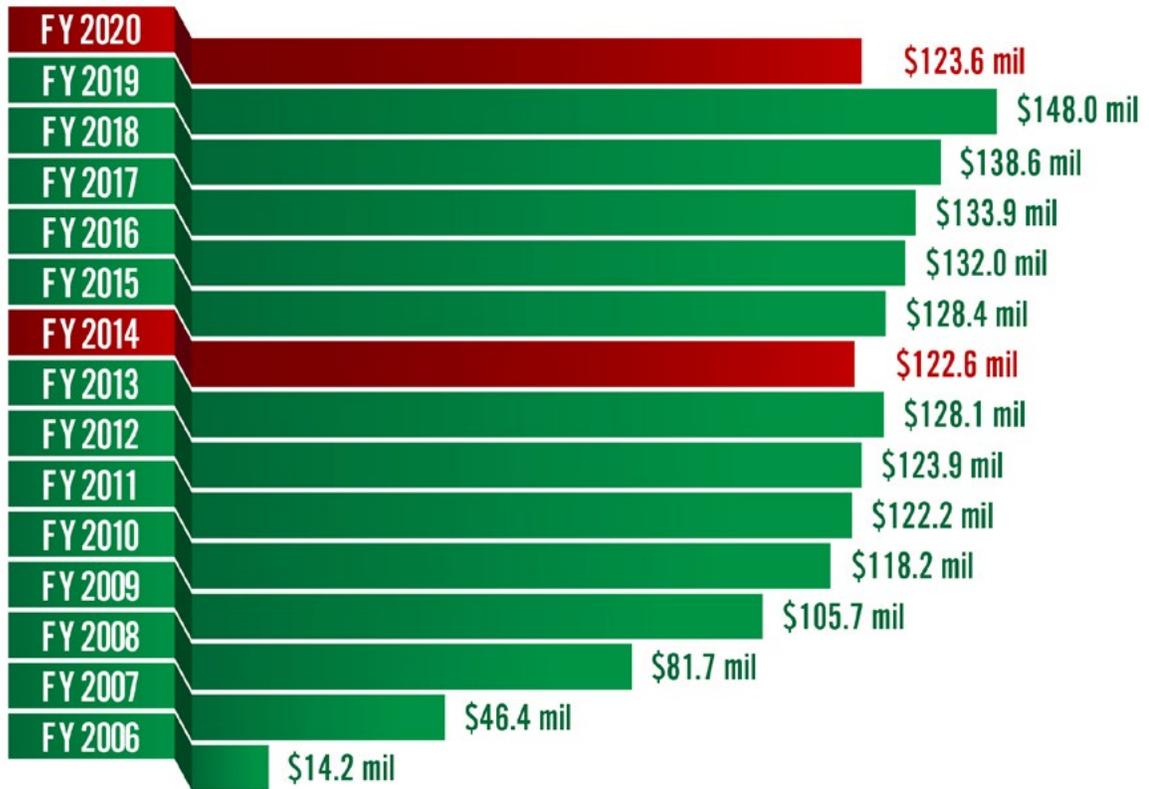
Under the compacts, tribes pay monthly exclusivity fees based on a sliding scale for Class III electronic games. Exclusivity fees are distributed to the Education Reform Revolving Fund (1017 Fund), the General Revenue Fund and the Department of Mental Health and Substance Abuse Services. In FY 2020, the 1017 Fund received \$108.5 million and the GRF received \$14.8 million. ODMHSAS statutorily receives a set \$250,000 annually from the exclusivity fees.

The compact also includes minimum state regulatory requirements on games, accounting and auditing standards, the licensing of employees, liability insurance, property claim procedures and several other provisions. The Gaming Compliance Unit of the Office of Management and Enterprise Services carries out the oversight responsibilities granted to the state under the compact.

<sup>1</sup>The state-tribal gaming compact allows for the play of the following electronic games: bonanza-style bingo, instant bingo and amusement games.

# TOTAL EXCLUSIVITY FEES

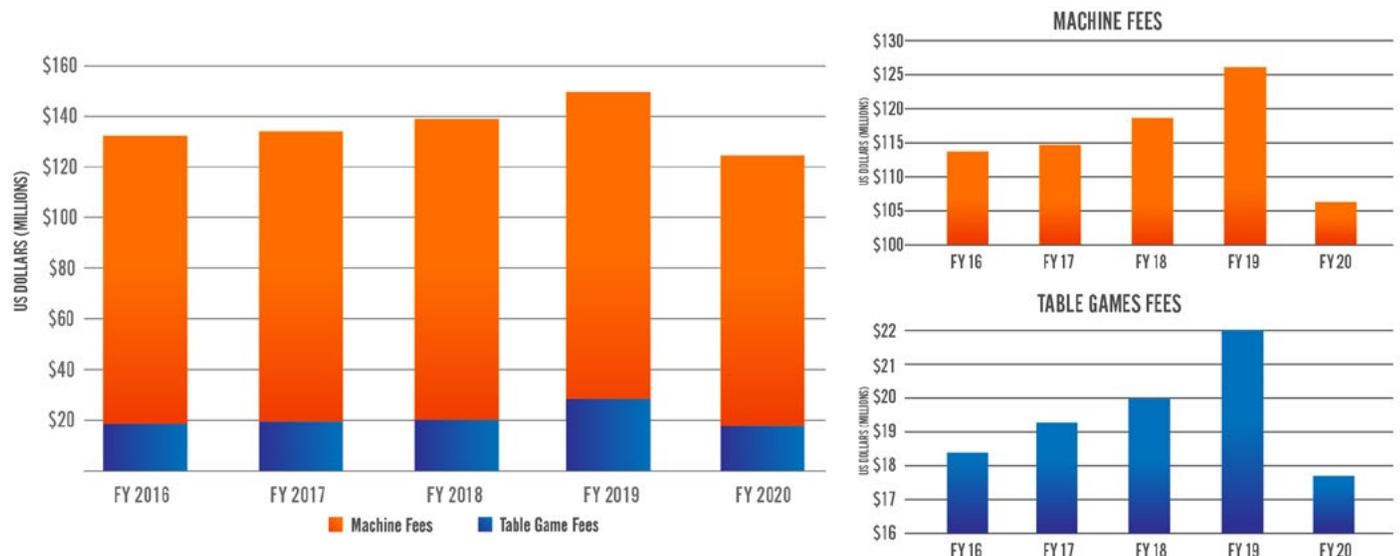
Exclusivity fee collections of \$123,557,977 fell 16.6% below collections in FY 2019. The is the first decrease since FY 2014, and is largely, if not entirely, due to the COVID-19 pandemic.



# ELECTRONIC AND TABLE GAME FEES

The payment from electronic games is typically much greater than the payment received from table games, and FY 2020 was no different.

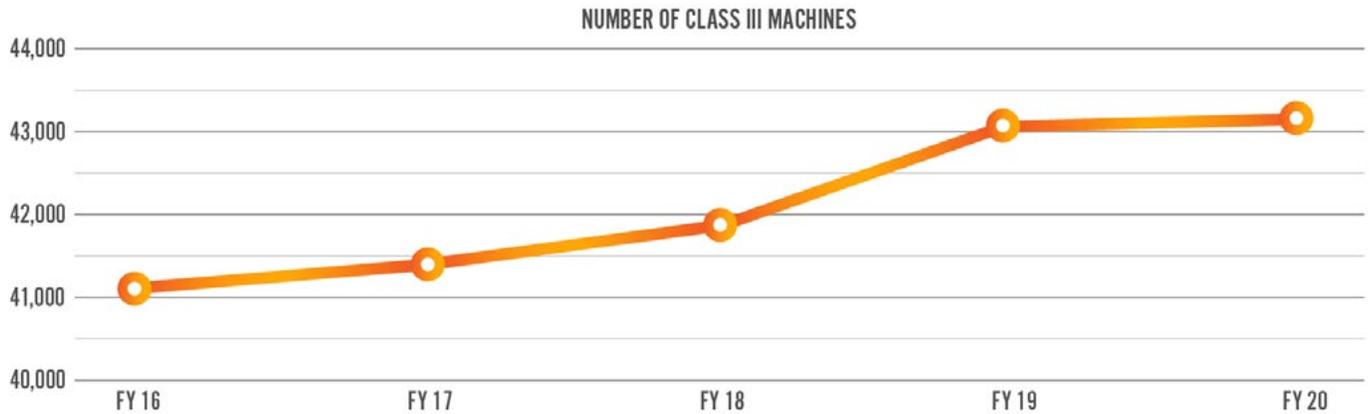
In FY 2020, tribes paid \$105,900,113.61 in electronic games fees, a \$20,279,026.87, or 16.07% percent, decrease from the previous year. FY 2020 table games fees totaled \$17,657,863.81, a \$4,384,615.05, or 19.9% percent, decrease from FY 2019.



# CLASS III MACHINES

The number of Class III machines grew for the eighth consecutive year.

In FY 2020, there was a monthly average of 43,112 Class III machines compared to 43,054 in FY 2019.



The growth of Class III machines was strong from 2005 to 2008, but weakened after the National Indian Gaming Commission withdrew restrictive Class II regulations in 2008. Class II machines declined from 2005 to 2008 but have grown substantially since 2009. While the number of Class III machines has steadily grown since 2012, the most recent figures available indicate Class II machines have grown at a faster pace as a percentage of total machines. The state collects exclusivity fees from Class III machines and nonhouse-banked card games but not Class II games.

# STATE AND TRIBAL PORTIONS OF REVENUE

In FY 2020, tribal revenue from Class III games and table games was \$2,035,954,647.98, of which tribes paid \$123,557,977.42, or 6%, to the state.

Under the state-tribal compact, tribes pay monthly exclusivity fees from Class III game revenues based on a sliding scale. For the first \$10 million in revenue, tribes pay 4% to the state; for the next \$10 million, the payment is 5%; and for revenues more than \$20 million, the payment is 6%. Tribes pay 10% of the monthly net win from table games.



## WHERE DOES THE STATE MONEY GO?

As required by statute, the exclusivity fees go to the Education Reform Revolving Fund (1017 Fund), the General Revenue Fund and the Department of Mental Health and Substance Abuse Services. ODMHSAS receives \$250,000 annually. Of the remaining fees, the 1017 Fund receives 88% and the GRF receives 12%. The 1017 Fund received \$108,511,020 in FY 2020 compared to \$130,215,025 in FY 2019. The GRF received \$14,796,957 in FY 2020 compared to \$17,756,594 in FY 2019.

## FEE DISTRIBUTION FY 2005–2020

<span style="color: green;">■</span> EDUCATION REFORM REVOLVING FUND .....	\$1,466,327,527.14
<span style="color: blue;">■</span> GENERAL REVENUE FUND .....	\$199,953,753.70
<span style="color: orange;">■</span> DEPARTMENT OF MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES .....	\$3,854,166.05



Note: In the 2007 legislative session, Senate Bill 820 amended the 12 percent recipient from OHLAP to the GRF, effective for FY 2008. OHLAP funds began being directly allocated from the GRF as requested by Oklahoma State Regents for Higher Education and approved by the Board of Equalization.

# EXCLUSIVITY FEES PAID BY TRIBES

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Absentee Shawnee Tribe of Oklahoma	\$526,351.00	\$631,280.00	\$628,058.00	\$570,962.29	\$508,367.00
Apache Tribe of Oklahoma		\$22,434.64	\$42,954.36	\$85,466.47	\$24,412.49
Caddo Nation of Oklahoma		\$42,669.36			
Cherokee Nation	\$15,290,046.32	\$15,562,043.62	\$16,514,141.86	\$17,897,676.99	\$13,765,918.85
Cheyenne and Arapaho Tribes of Oklahoma	\$2,898,332.00	\$2,924,228.00	\$3,004,324.00	\$2,932,182.00	\$2,339,111.00
Chickasaw Nation	\$46,861,383.00	\$46,826,788.00	\$47,875,473.00	\$53,514,192.00	\$45,034,082.00
Choctaw Nation of Oklahoma	\$22,444,606.00	\$24,023,247.00	\$26,275,176.00	\$27,892,546.00	\$23,051,057.00
Citizen Potawatomi Nation	\$4,079,849.00	\$4,097,766.00	\$4,090,961.00	\$4,050,681.00	\$3,466,369.00
Comanche Nation	\$3,922,720.00	\$4,000,766.00	\$4,102,875.00	\$3,933,807.00	\$2,899,448.00
Delaware Nation	\$644,843.43	\$594,879.33	\$655,513.80	\$654,224.58	\$527,119.85
Eastern Shawnee Tribe of Oklahoma	\$2,593,546.49	\$2,497,944.00	\$2,172,231.00	\$2,330,258.00	\$2,075,977.00
Fort Sill Apache Tribe of Oklahoma	\$1,813,945.00	\$1,737,884.00	\$1,708,298.00	\$1,812,584.00	\$1,598,557.00
Iowa Tribe of Oklahoma	\$1,184,686.00	\$1,125,774.00	\$1,049,362.00	\$1,023,212.00	\$915,665.23
Kaw Nation	\$274,384.00	\$339,847.00	\$320,490.00	\$305,901.00	\$246,786.00
Kickapoo Tribe of Oklahoma	\$862,455.00	\$849,107.00	\$831,797.00	\$874,313.00	\$730,119.00
Kiowa Tribe of Oklahoma	\$1,488,654.00	\$1,613,213.00	\$1,852,864.00	\$2,143,164.00	\$1,735,093.00
Miami Tribe of Oklahoma	\$45,049.00	\$48,148.00	\$54,884.00	\$62,588.00	\$55,781.00
Modoc Tribe of Oklahoma	\$215,858.00	\$180,790.00	\$160,662.00	\$126,681.00	\$116,151.00
Muscogee (Creek) Nation	\$8,531,353.00	\$8,961,012.90	\$9,708,016.00	\$9,520,360.00	\$7,281,673.00
Osage Nation	\$5,775,990.00	\$5,585,285.00	\$5,882,479.00	\$6,357,276.00	\$5,952,222.00
Otoe-Missouria Tribe of Oklahoma	\$1,957,047.00	\$1,984,521.00	\$1,957,346.00	\$1,985,749.00	\$1,958,534.00
Ottawa Tribe of Oklahoma	\$176,747.00	\$164,975.00	\$142,046.00	\$137,163.00	\$125,860.00
Pawnee Nation of Oklahoma	\$321,650.00	\$282,921.00	\$307,928.00	\$290,529.00	\$235,461.00
Peoria Tribe of Indians of Oklahoma	\$983,743.00	\$1,007,939.00	\$839,688.00	\$825,762.00	\$720,163.00
Ponca Tribe of Oklahoma					
Quapaw Tribe of Oklahoma	\$5,923,005.00	\$5,769,333.00	\$5,250,203.00	\$5,437,222.00	\$4,630,682.00
Sac and Fox Nation of Oklahoma	\$576,159.00	\$579,171.00	\$576,474.00	\$576,232.00	\$477,620.00
Seminole Nation of Oklahoma	\$444,953.68	\$420,524.00	\$444,781.78	\$444,823.00	\$359,996.00
Seneca-Cayuga Tribe of Oklahoma	\$403,250.30	\$350,656.00	\$322,716.00	\$317,026.00	\$295,285.00
Shawnee Tribe					\$616,087.00
Thlopthlocco Tribal Town	\$125,652.00	\$147,679.00	\$181,109.00	\$184,497.00	\$145,104.00
Tonkawa Tribe of Oklahoma	\$943,095.00	\$919,354.00	\$1,032,530.00	\$1,245,622.00	\$1,134,252.00
Wichita and Affiliated Tribes	\$431,725.00	\$354,624.00	\$326,159.00	\$385,147.00	\$286,891.00
Wyandotte Nation	\$294,164.00	\$293,624.00	\$286,879.00	\$303,772.00	\$248,133.00
<b>TOTAL</b>	<b>\$132,035,242.22</b>	<b>\$133,940,427.85</b>	<b>\$138,598,419.80</b>	<b>\$148,221,619.33</b>	<b>\$123,557,977.42</b>

Note: *Red* indicates a decrease and *Green* shows an increase compared to the previous year.

# OKLAHOMA CASINO LISTING

At the end of fiscal year 2020, 32 tribes were operating 132 facilities offering Class III gaming related to the state-tribal gaming compacts.

TRIBE	CASINOS
Absentee Shawnee Tribe of Oklahoma	2
Apache Tribe of Oklahoma	1
Cherokee Nation	12
Cheyenne and Arapaho Tribes of Oklahoma	6
Chickasaw Nation	21
Choctaw Nation of Oklahoma	22
Citizen Potawatomi Nation	2
Comanche Nation	5
Delaware Nation	2
Eastern Shawnee Tribe of Oklahoma	2
Fort Sill Apache Tribe of Oklahoma	1
Iowa Tribe of Oklahoma	4
Kaw Nation	3
Kickapoo Tribe of Oklahoma	2
Kiowa Tribe of Oklahoma	3
Miami Tribe of Oklahoma	2
Modoc Tribe of Oklahoma	1
Muscogee (Creek) Nation	9
Osage Nation	7
Otoe-Missouria Tribe of Oklahoma	5
Ottawa Tribe of Oklahoma	1
Pawnee Nation of Oklahoma	3
Peoria Tribe of Indians of Oklahoma	1
Quapaw Tribe of Oklahoma	2
Sac and Fox Nation of Oklahoma	2
Seminole Nation of Oklahoma	3
Seneca-Cayuga Tribe of Oklahoma	1
Shawnee Tribe	1
Thlopthlocco Tribal Town	1
Tonkawa Tribe of Oklahoma	3
Wichita and Affiliated Tribes	1
Wyandotte Nation	1

*Note: As of 6/30/2020*

# CONTACTS

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